THE MINISTER OF COMMERCEAND INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Based on representations received from edible oil industry and from growers of oil seeds, the customs duty on import of edible has been incresed on 12.6.2000.

The total duty of customs on 'Edible grade crude vegetable oils (excluding coconut oil, palm oil and its fractions whether refined or not) imported in loose or bulk form for the manufacture of vanaspati or for refining' has been increased from 16.5% to 27.5% the duty on "Refined vegetable Oils (other than coconut oil, RBD palm oil, RBD palm kernel oil and palm stearin) of edible grade in loose or bulk form" has been increased from 32.6% to 44.04%. Similarly the duty on 'Coconut oil and Refined palm oil' has been incresed from 44.04% to 50.8%.

**News item "EU rice policy hits basmati"**

781. SHRI DIPANKAR MUKHERJEE:
SHRIMATI CHANDRA KALA PANDEY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government's attention has been drawn to the newsitem "EU rice policy hits basmati" published in the Economic Times, dated 2nd July, 2000; and

(b) if so, Government's reaction thereto?

THE MINISTER OF COMMERCEAND INDUSTRY (SHRI MURASOLI MARAN): (a) Yes, Sir.

(b) EU's proposal to end the intervention price it still at the proposal stage.

**FDI in trading subsidiaries**

782. SHRI V.V. RAGHAVAN:
SHRI J. CHITHARANJAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government are working on a new policy to govern FDI in trading subsidiaries dealing in retail trading; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) The policy on FDI in trading companies is constantly under review. As per the present policy, FDI is not permitted for setting up companies for retail trading.

**GAP between import and export**

†783. SHRI KAPIL SIBAL:
SHRI RAJ MOHINDER SINGH:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the gap between import and export has been increasing continuously in the country during the past years;

(b) if so, what is the gap between import and export during 1997-98, 1998-99 and 1999-2000 separately; and

(c) the reasons of this gap?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) As per DGCI&S data, India's exports, imports and balance of trade for the year 1997-98, 1998-99 and 1999-2000 has been as under:-

(US $ Million)

| Year | Export | Import | Balance of trade |
|---|---|---|---|
| 1997-98 | 35006 | 41484 | 6478 |
| 1998-99 | 33219 | 42389 | 9170 |
| 1999-2000* | 37538 | 46154 | 8616 |

*Data for 1999-2000 are provisional and subject to change.

(c) Imports are made by the trade and industry keeping in view the needs of the economy. Shortfall in exports during 1997-98 and 1998-99 has been partly due to international factors such as recession in the world market, South-East Asian crisis as well as crisis in Russia and some Latin American countries. Infrastructural constraints and other impediments like narrow basket of exportable goods and low unit value realization were other reasons.

†Original notice of the question was received in Hindi.